1 Hon. John C. Coughenour 2 3 4 5 6 7 8 9 10 **UNITED STATES DISTRICT COURT** 11 **WESTERN DISTRICT OF WASHINGTON** 12 13 BERNADEAN RITTMANN, et al, 14 individually and on behalf of all others similarly situated, 15 16 Plaintiffs, STAY ٧. 17 18 AMAZON.COM, INC. and AMAZON **FEBRUARY 1, 2019** LOGISTICS, INC., 19 20 Defendants. 21 22 23 24 25 26 27 28

Case No. 2:16-cv-01554-JCC

PLAINTIFFS' MOTION TO LIFT THE

NOTE ON MOTION CALENDAR:

In light of the Supreme Court's ruling today in New Prime v. Oliveira, No. 17-340 (Jan. 15, 2019), Plaintiffs respectfully urge the Court to lift the stay entered by the Court almost two years ago (on March 22, 2017) and allow this case at last to proceed.

The Court initially stayed this case to await guidance from the Supreme Court in Ernst & Young, LLP v. Morris (U.S. Jan. 13, 2017) (No. 16-1300), regarding the enforceability of class action waivers in employment arbitration agreements, as well as to receive guidance from the Ninth Circuit in Van Dusen v. Swift Transp. Co., No. 17-15102 (9th Cir. Jan. 20, 2017) ("Swift"), regarding the proper determination of whether transportation workers work under "contracts of employment" and thus would be exempt from the Federal Arbitration Act ("FAA"), 9 U.S.C. § 1. See Dkt. 77. The Supreme Court issued its decision regarding class action waivers in employment agreements in May 2018², and now, the Swift appeal has been rendered moot by today's decision in New Prime.

In New Prime, the Supreme Court held that courts need not make a preliminary decision as to whether plaintiffs are employees or independent contractors in order to determine whether they fall under the transportation worker exemption of the FAA.

Instead, the Supreme Court held that the exemption applies to all transportation workers, regardless of whether they are employees or independent contractors. Thus,

Section 1 of the FAA states: "[N]othing herein contained shall apply to contracts of employment of seamen, railroad employees, or any other class of workers engaged in foreign or interstate commerce." See 9 U.S.C. § 1.

On May 21, 2018, the Supreme Court issued its decision in Morris and two other consolidated cases, holding that class action waivers in employment agreements do not violate the National Labor Relations Act ("NLRA"), 29 U.S.C. § 157 et seq. See Epic Sys. Corp. v. Lewis, No. 16-285, 2018 WL 2292444, at *1 (U.S. May 21, 2018).

the <u>Swift</u> appeal, which concerned the proper way for courts to make the preliminary determination regarding transportation workers' employment status, is no longer relevant because no such preliminary determination is necessary after New Prime.³

As this Court previously noted, the Ninth Circuit stayed the <u>Swift</u> case pending the Supreme Court's decision in <u>New Prime v. Oliveira</u>, No. 17-340 (Feb. 26, 2018), because it recognized that this decision could very well be dispositive of the <u>Swift</u> appeal. <u>See</u> Dkt. 98 at n. 1. Now, the Supreme Court has issued its decision and has ruled that "[w]hen Congress enacted the Arbitration Act in 1925, the term 'contracts of employment' referred to agreements to perform work", including independent contractor agreements, rather than just contracts between what would now be considered employers and employees. <u>See</u> Exhibit A at 15. As such, the plaintiff fell within Section 1's transportation worker exemption regardless of whether he was actually an employee or an independent contractor. <u>Id.</u>⁴

In light of this guidance from the United States Supreme Court, the stay in this case should now be lifted. The Court should proceed to determine the applicability of the transportation worker exemption to the Amazon drivers.

And for reasons set forth in their motion filed on October 27, 2016, Plaintiffs respectfully request that the Court now consider and grant Plaintiffs' request for

The thrust of the <u>Swift</u> appeal is that the District Court in that case "got it wrong" in preliminarily deciding that the workers in that case were employees operating under a "contract of employment" for purposes of determining the applicability of the transportation worker exemption under Section 1 of the FAA.

In <u>New Prime</u>, the Supreme Court also ruled that the applicability of the transportation worker exemption is a question for a court to decide, not an arbitrator, regardless of whether the contract contains a delegation clause that purports to delegate all issues to the arbitrator. <u>See</u> Exhibit A at 4-5.

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issuance of notice to Amazon drivers who may choose to opt-in to the FLSA claims in this case (Dkt. 20) and that the Court deny Amazon's request to compel arbitration of Plaintiffs' claims (Dkt. 36) because Plaintiffs fall under the transportation worker exemption to the FAA.⁵

Dated: January 15, 2019

Respectfully submitted,

BERNADEAN RITTMANN et al, individually and on behalf of all others similarly situated,

By their attorneys,

/s/ Shannon Liss-Riordan

Shannon Liss-Riordan, pro hac vice
Harold Lichten, pro hac vice
Adelaide Pagano, pro hac vice
Lichten & Liss-Riordan, P.C.
729 Boylston Street, Suite 2000
Boston, MA 02116
Tel: (617) 994-5800
sliss@llrlaw.com; hlichten@llrlaw.com; apagano@llrlaw.com

Michael C. Subit, WSBA #29189 Frank Freed Subit & Thomas LLP 705 Second Avenue, Suite 1200 Seattle, WA 98104-1798 Tel: (206) 682-6711

The Court previously granted in part Defendant's Motion to Dismiss and dismissed several of Plaintiffs' claims without prejudice with leave to amend. <u>See</u> Dkt. No. 76. The Court also stayed consideration of Plaintiffs' Motion to Authorize Notice "until such a time that the claims and issues are more definite," and it stayed the case, deferring any ruling on Defendant's request to compel arbitration until after a decision in <u>Morris</u> and <u>Swift</u>. <u>See</u> Dkt. No. 76 at 7. Plaintiffs then filed a Second Amended Complaint (Dkt. No. 83), which addressed the concerns the Court identified in its Court's Order on Defendant's Motion to Dismiss. Now that the complaint has been amended and the appellate issues that this Court was waiting to be resolved have been resolved, Plaintiffs request that the Court proceed to consider Plaintiffs' Motion to

Authorize Notice.

1 msubit@frankfreed.com 2 **CERTIFICATE OF SERVICE** 3 I hereby certify that on January 15, 2019, I electronically filed the foregoing 4 with the Clerk of the Court using the CM/ECF system which will send notification of 5 such filing to the following: 6 7 8 Suzanne Thomas K&L Gates 9 925 Fourth Avenue, Suite 2900 Seattle, WA 98104 10 Suzanne.thomas@klgates.com 11 Richard G. Rosenblatt 12 James Walsh Jr. Morgan Lewis Bockius 13 502 Carnegie Center 14 Princeton, NJ 08540 rrosenblatt@morganlewis.com 15 james.walsh@morganlewis.com 16 Meredith Riccio 17 Allison N. Powers Morgan Lewis Bockius 18 77 W. Wacker Drive 5th Floor Chicago, IL 60601 19 Allison.powers@morganlewis.com 20 Meredith.riccio@morganlewis.com 21 and I hereby certify that there are no parties receiving this notice via US Mail. DATED this 15th day of January, 2019 22 23 /s/ Shannon Liss-Riordan 24 Shannon Liss-Riordan, Esq. 25 26 27 28